

Progressive banking for growing communities

August 24, 1999

Illinois Gas Company Paul Neff Roger Avery P. 0. Box 596 Lawrenceville, IL 62439

Dear Paul and Roger:

I have enjoyed the educational process I have had working with your company. Paul and I have developed a working relationship that benefits both local companies.

Below I have outlined in bullets benefits that Illinois Gas Company has had working with Community Bank & Trust and new services that will be offered in the future:

- . We have worked with Paul on the overdraft protection. This allows standard bank charges on overdraft accounts to be calculated on an interest only charge. This has accumulated to a significant savings for Illinois Gas Company.
- Community Bank & Trust has continued to provide quality service in representing Illinois Gas Company customers in bill collection points. Our branches are located in each community that your company services (Richland, Lawrence and Jasper). This service is provided as a courtesy to your company. In addition, I have spoken with Paul about his goals in handling billings by ACH. This service can be offered to your customers.
- Presently, we are in the process of testing our "new" Prime Money Market account. Upon the completion of our testing, this product will be marketed to our large (over \$10,000.00) money market customers. This account will have similar characteristics as our present money market, but will have a present rate of 1.95% greater than our existing money market accounts.

I have reviewed your request for financing. Below I have outlined our proposal. These proposals are recommendations made due to current market conditions. The following rates are based on a prime rate on August 19, 1999 of 8%.

CHARLESTON BRANCH 820 W. Lincoln Charleston, IL 61920 (217) 345-4824

EXHIBIT

Illinois Gas Company Page #2 August 24, 1999

The proposed real estate loan for \$2,200,000.00 will be amortized over a 20 year period. The rate of 8% will be fixed for 5 years.

The line of credit for \$1,000.00.00 will be a revolving note with a 20-year term. This rate can be fixed at 8% for 5 years. We will offer an annually adjusted rate of ¼ under prime. The initial adjustable contract would be for 7.75%.

The security on the loans would be cross-collateralized. The Illinois Gas Company plant and easements will need an appraisal evaluation. The titles and equipment held for security will be handled as they have been in the past. This will allow Paul easy access to secured vehicles that are purchased and traded.

It is our intention to offer Illinois Gas Company and its representatives quality products and services. In the past, we have handled loan requests on short notice, terms and agreements with special arrangements, and a working **relationship** that has been very positive for both companies. We appreciate the opportunity to have worked with you the past ten years and we are looking forward to continuing our business arrangements.

If you have any questions, please do not hesitate to call me at 618/395-8676.

Sincerely

Kevin Washburn Vice President

KW:ls

LEGAL & MILING FAS

CORPORATE RESOLUTION

Principal Loan Date Maturity Loan No Call Collateral Action Date 12-14-1999 12-14-2019 0130001775 2300 973941 009

References in the shaded area are for Lender's use only and do not limit the applicability of this document of dynamicular par or item.

Any item above containing "***" has been omitted due to text length limitations.

Corporation: ILLINOIS GAS COMPANY (TIN: 37-0343720)

,004 STATE ST

LAWRENCEVILLE, IL 62439

Lender:

Community Bank&Trust, NA

Oiney Branch 240 E Chestnut St P 0 BOX 700

Olney, IL 62490 (618) 3954676

I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE CORPORATION'S EXISTENCE. The complete and correct name of the Corporation is ILLINOIS GAS COMPANY ("Corporation"). The Corporation for profit which is, and et all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Illinois. The Corporation is duly authorized to transact business in all other states in which the Corporation is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which the Corporation is doing business. Specifically, the Corporation is, and et all times shall be, duly qualified as a foreign corporation in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. The Corporation has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. The Corporation maintains an office et 1004 STATE ST, LAWRENCEVILLE, IL 62439. Unless the Corporation has designated otherwise in writing, the principal office is the office et which the Corporation keeps its books and records. The Corporation will notify Lender of any change in the location of the Corporation's principal office. The Corporation shall do all things necessary to preserve and to keep in full force and effect ifs existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to the Corporation and the Corporation's business activities.

RESOLUTIONS ADOPTED. At a meeting of the Directors of the Corporation, or if the Corporation is a close corporation having no Board of Directors then et a meeting of the Corporation's shareholders, duly called and held on November 1, 1999, et which a quorum was present and voting. or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Resolution were adopted.

OFFICER. The following named person is an officer of ILLINOIS GAS COMPANY;

 NAMES
 TITLES
 AUTHORIZED
 ACTUAL SIGNATURES

 ROGER C AVERY
 President
 Y
 X

ACTIONS AUTHORIZED. The authorized person listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Corporation. Specifically, but without limitation. the authorized person is authorized, empowered, and directed to do the following for and on behalf of the Corporation:

Borrow Money. To borrow from time to time from Lender, on such terms as may be agreed upon between the Corporation and Lender. such sum or sums of money as in his or her judgment should be borrowed; however, not exceeding at any one time the amount of One Million Eighty & 00/100 Doffers (\$1,000,080.00), in addition to such sum or sums of money as may be currently borrowed by the Corporation from Lender.

Execute Notes. To execute and deliver to Lender the promissory note or notes, or other evidence of the Corporation's credit accommodations, on Lender's forms, et such rates of interest and on such terms as *may* be agreed upon, *evidencing* the *sums* of money so borrowed or any of the Corporation's indebtedness to Lender. and also to execute and deliver to Lender one or more renewals. extensions. modifications. refinancing.% consolidations, or substitutions for one or more of the notes. any portion of the notes, or any other evidence of credit accommodations.

Grant Security. To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Corporation or in which the Corporation now or hereafter may have an interest, including without limitation all real property and all personal property (tangible or intangible) of the Corporation, as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes). or any other or further indebtedness of the Corporation to Lender et any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered et the time such loans are obtained or such indebtedness is incurred, or et any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred. endorsed. hypothecated or encumbered.

Execute Security Documents. To execute and deliver to Lender the forms of mortgage. deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given: and also lo execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

Negotiate Items. To draw. endorse, and discount with Lender all drafts, trade acceptances, promissory notes. or other evidences of indebtedness payable to or belonging to the Corporation or in which the Corporation may have an interest, and either to receive cash for the same or lo cause such proceeds to be credited to the Corporation's account with Lender, or to cause such other disposition of the proceeds derived therefrom as he or she may deem advisable.

Further Acts. In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all case?.. to do and perform such other acts and things. to pay any and all fees and costs, and to execute and deliver such other documents and agreements, including agreements waiving the **right** to a trial by jury and confessing judgment against the Corporation, es the **officer** may in his or her discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Resolution.

ASSUMED BUSINESS NAMES. The Corporation has filed or recorded all documents or filings required by law relating to all assumed business names used by the Corporation. Excluding the name of the Corporation. the following is a complete list of all assumed business names under which the Corporation does business: None.

NOTICES TO LENDER. The Corporation will notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from lime to lime) prior to any (A) change in the Corporation's name, (B) change in the Corporation's assumed business name(s). (C) change in the management of the Corporation, (D) change in the authorized signer(s), (E) change in the Corporation's principal office address, (F) conversion of the Corporation to a new or different type of business entity, or (G) change in any other aspect of the Corporation that directly or

Page 2

CORPORATE RESOLUTION

(Continued)

indirectly relates to any agreements between the Corporation and Lender. No change in the Corporation's name will take effect until after Lender has been notified.

CERTIFICATION CONCERNING OFFICERS AND RESOLUTIONS. The officer named above is duly elected, appointed, or employed by or for the Corporation. as the case may be, and occupies the position set opposite his Of her respective name. This Resolution now stands Of record on the books of the Corporation, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

NO CORPORATE SEAL. The Corporation has no corporate seal, and therefore, no seal is affixed to this Resolution.

CONTINUING **VALIDITY.** Any and all acts authorized pursuant to this Resolution and performed prior to the passage of this Resolution are hereby ratified and approved. This Resolution shall be continuing, shall remain in lull force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by **Lender** at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Corporation's agreements or commitments in effect at the time notice is given.

IN TESTIMONY WHEREOF, I have hereunto set my hand and attest that the signature set opposite the name listed above is his or her genuine signature.

I have read all the provisions of this Resolution, and I personally and on behalf of the Corporation certify that all statements and representations made in this Resolution are true and **correct.** This Corporate Resolution is dated November 1, 1999.

CERTIFIED TO AND ATTESTED BY:

X	
ROGER C AVERY, President	

NOTE: If the officer signing this Resolution is designated by the foregoing document as one of the officers authorized to act on the Corporation's behalf, it is advisable to have this Resolution signed by at least one non-authorized officer of the Corporation.

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